State of California

M e m o r a n d u m

To:	Panel Members	Date:	September 22, 2006
From:	Ruby Cohen, Manager	Analyst:	R. Russell
Subject:	One-Step Agreement for **SACRAMENTO EMPLOYMENT AND TRAINING AGENCY (SETA) (SET)**		

CONTRACTOR:

- Multiple Employer: Training Agency
- Training Project Profile: Retraining: Companies W/Out-Of-State Competition SET - Workers Earning At Least State Avg Hrly Wage
- Legislative Priorities: Moving To A High Performance Workplace
- Type of Industry: Various Industries
- Repeat Contractor: Yes
- ETP Trainees Represented by Union: No
- Name and Local Number of Union Representing ETP Trainees: N/A

CONTRACT:

- Program Costs: $998,400
- Substantial Contribution: $0
- Multiple Employer Support (6%) $69,160
- Total ETP Funding: $1,067,560
- Total In-kind Contribution: $1,820,000
  - ➢ *Trainee Wages Paid During Training:* $1,820,000
  - ➢ *Other Contributions*: $0
- Reimbursement Method: Fixed-Fee
- County(ies) Served: Sacramento, Amador, Calaveras, El Dorado, Placer, San Joaquin, Solano, Sutter, Yolo
- Location of Training: 90 % Center Based; 10 % Employer Site

INTRODUCTION:

The Sacramento Employment and Training Agency (SETA) is a joint-powers agency of the City and County of Sacramento under the direction of Sacramento Works, Inc., Workforce Investment Board (WIB). SETA will serve as the ETP contractor and will be responsible for all administrative duties. Tech Skills Computer Training of Sacramento will deliver all training in the proposed Agreement.

SETA is eligible as an ETP Contractor under Title 22, California Unemployment Insurance Code, Section 10205(c)(4) as a grant recipient under the federal Workforce Investment Act (WIA) of 1998.

SETA's goal is to meet the demand of employees lacking the adequate skills to operate efficiently in the information technology industry; the proposed program will deliver instruction in computer skills and advanced technology. The training plan was created to assist businesses in maintaining a high performance workplace and increase the skill level of employees in the information technology industries. Although some of the participating employers are businesses with fewer than 250 employees, all will qualify for funding as either companies facing out-of-state competition under Title 22, Code of Regulations, Section 4416(d)(2); or under Title 22, CCR, Section 4409(a), Special Employment Training (SET) for frontline workers who earn at least the state average hourly wage.

MEETING ETP GOALS AND OBJECTIVES:

SETA proposed training will further the following ETP goals and objectives:

1) Targets occupations in the high technology industry.

2) Promotes occupations with high wage secure jobs.

TRAINING PLAN TABLE:

Grp/Trainee Type	Types Of Training	No. Retain	No. Class/Lab Videocnf. Hrs.	No. CBT Hrs.	Cost Per Trainee	Hourly Wage After 90 Days
1/Retrainee	Advanced Technology	160	120	0	$2,823	$14.00 – 60.00
2/Retrainee	Computer Skills	160	80	0	$1,283	$14.00 – 60.00
3/SET Retrainee	Advanced Technology	100	120	0	$2,823	$21.50 – 60.00
4/SET Retrainee	Computer Skills	100	80	0	$1,283	$21.50 – 60.00

Wages After 90-Day Retention

Occupations

Jobs 1 ,2 ,3, and 4

Computer Support Specialist
Database Administrator
Help Desk Support Staff
Network Computer Administrators
IT Technician
IT Security Specialist
Computer Operator
Computer Software/Hardware Engineer
Computer Programmer
Web Designer/Developer

Jobs 1 and 2 ONLY
Supervisors
Managers

Health Benefits Used To Meet ETP Minimum Wage:	Turnover Rate	% Of Mgrs & Supervisors To Be Trained:
Although the participating employers pay health benefits for their employers, the hourly contribution is not being used to meet the ETP minimum wage requirement.	20%	5%

Other Employee Benefits:

Varies by participating employer

COMMENTS / ISSUES:

> ### *Justification to Provide Advanced Technology*

SETA officials state many employers provide basic computer skills training but lack the knowledge and/or resources to provide detailed training in specialized occupations This is also true of small businesses which often lack the financial resources to provide highly technical training to their employees to remain up-to-date in the industry. SETA maintains the actual cost of training is $1,800 to $3,000 per course; the proposed training cost in the application is set at the fixed fee rate of $22 per hour which would earn a total of $2,823 for job numbers 1 and 3.

> ### *SET Justification*

Additionally, SETA intends to include participating employers who do not meet the standard out-of-state competition eligibility requirement, but provide secure jobs for employees earning at least the state average hourly wage. SETA representatives state the justification is based on employers in all industries who are dependent on computerized information systems and require a portion of their employees to be trained and qualified in the development and maintenance of these computer systems. The occupations qualifying under the SET funding could include all of the occupations identified in the Training Plan (with the exception of Supervisors and Managers) on Page 3 of this Memorandum.

> ### *Frontline Workers*

All participants in this project meet the Panel definition of frontline workers under Title 22 California Code of Regulations (CCR), Section 4400(ee), except for approximately 26 Supervisors and Managers, representing approximately 5 percent of the total projected trainee population which will only be enrolled in job numbers 1 and 2.

> ### *Compensatory Nature of Training*

Of the nineteen participating employers in the core group, training is mandatory for fifty percent of the employees.   Of the remaining fifty percent, training is voluntary but the employers often base promotions on the employee's skill level, therefore making the training essential for many employees' advancement within the company.

> ### *Production During Training*

The proposed Contractor agrees that during the ETP-funded training hours, trainees will not produce products or provide services which will ultimately be sold.

RECOMMENDATION:

Staff recommends the Panel approve this proposal due to employer demand for high technology jobs, a high commitment of participating employers, as well as an increased need for many employers to maintain complex computer and informational systems.

NARRATIVE:

Established in 1978 the Sacramento Employment and Training Agency (SETA) is a joint powers agency of the City and County of Sacramento under the Sacramento Works, Inc., Workforce Investment Board (WIB). Sacramento Works, the local Workforce Investment Board consist of regional businesses, labor, education organizations, rehabilitation services, public assistance agencies, community-based organizations and local economic development entities. SETA provides services through various programs which include Sacramento Works Employer Services Department, One-Stop Career Center System, Head Start Program, Youth Programs, Refugee Services Program, and Community Services Block Grant. SETA states that they have an ongoing relationship with employers in the community and also uses the above mentioned organizations as part of their marketing efforts to recruit participating employers.

SETA is proposing to expand its current program to train individuals in information Technology skills. According to its representatives, SETA's primary goal for this proposed ETP funded training program is to continue to meet the information technology needs of businesses. The IT curricula has been recently re-designed and is derived from technological suppliers such as Microsoft, Oracle, and Cisco. In addition, classes are developed using vendor guidelines and surveys from local employers. The local WIB advisory committee also validates the curriculum's subject matter.   The training will consist of the following components:

Computer Skills – SETA has identified a demand for training in computer technology applications ranging from networking to Java. The curriculum is customized to meet the needs of participating employers, specific computer software, as well as standard computer internal processes and software application (Networking, Visual Basic, and Java Platform). This training provides intermediate and advance levels of instruction and is available to all occupations. No basic computer skills will be included in this training.

Advanced Technology – This portion of the training will also be open to all occupations in the computer field and include such topics as computer hardware and software installation, repair and troubleshooting; network maintenance, configuration, troubleshooting, operation and management; website design and e-commerce security; data development; Wide Area Network (WAN) engineering, information technology management, system administration for a variety of database systems, software engineering and management, and various programming languages for example Cisco, Oracle, UNIX, and LINUX. Many of the employers participating in the training project rely upon a high performance workplace to remain completive within their industry.

Employer Demand

According to SETA representatives, information taken from the California Employment Development Department's (EDD's) Labor Market Information Technology Initiative and the local Workforce Investment Board show a high demand for employees skilled in information technology. SETA representatives state that, since most employers are dependent on computerized information systems, they require their employees to be qualified, through training, in the development and maintenance of such systems. This is especially true of small businesses, which often lack the resources to provide highly technical training to employees.

Employer demand is also demonstrated by the submittal of nineteen participating employers who are proposing to fill 298 of the 520 enrollment slots, or more than half of the slots available in this proposal. SETA officials also maintain they have already established relationships with 28 additional employers to provide training when needed to fill the remaining training slots.

Commitment to Training

The effects of this training plan will enable many employers with limited training funds to access additional training opportunities in advanced computer technology. SETA representatives maintain these companies understand the value of the training and the continued commitment to provide training on their own.

According to SETA representatives, training will support the employers initial training programs by providing complex instruction in computer courses such as java, networking, web design, database development, server installation, and applications such as Cisco, Oracle, UNIX, and Linux.

SUBCONTRACTORS:

Tech Skills Computer Training, of Sacramento, California will provide all classroom/laboratory training.

THIRD PARTY SERVICES:

None

PRIOR PROJECTS:

The following are completed project statistics for ETP Agreements with this Contractor within the last five years:

					PRIOR PROJECTS	
Agreement Number	**Location (City)**	**Term**	**Contract Amount**	**Amount Earned**	***Planned* In-kind Contribution**	***Reported* In-kind Contribution**
ET03-0171	Sacramento	10/07/2002- 10/06/2004	$203,268	$182,742	$104,322	$94,000

The performance rate of completion was ninety percent for the above contract.

ACTIVE PROJECTS:

The following are current project statistics:

				ACTIVE PROJECTS		
Agreement Number	**Agreement Amount**	**Term**	**Planned Number To Be Retained**	**Number Enrolled**	**Number Completed Training**	**Number Retained For 90 Days**
ET05-0220*	Sacramento	11/08/04- 11/07/06	478	433	327	327
ET06-0273**	Sacramento	03/27/06- 03/26/08	80	0	0	0

*Comments: The Contractor reports an estimate of 433 trainees have completed training and have been retained in full-time employment; the anticipated success rate of completion is between 86 to 90 percent.

**Comments: The Agreement was recently approved, and training started in March of 2006; therefore no information is available at this time. The project provides CNA to LVN nursing training.

Sacramento Employment & Training Agency (SETA)
Menu Curriculum

Trainees may receive any of the following:

Hours
Class / Lab
80

Computer Skills (Intermediate and Advanced levels)

Networking
- Media and Topologies
- Protocols and Standards
- Network Implementation

Visual Basic 6.0
- Designing & Implementing Desktop Applications with Microsoft Designing & Implementing Distributed Application with Microsoft

The Java Platform
- Sun Certified Programmer for the Java 2 Platform

Hours
Class / Lab
120

Advanced Technology (Beginning, Intermediate, and Advanced levels)

Computer Hardware and Software Technology
- Hardware Fundamentals
- Hardware Installation and Configuration
- Motherboards
- Processors
- Memory
- Printers
- Operating System Fundamentals
- Managing and Troubleshooting Hardware and Software

E- Commerce (Certified Internet Webmaster)
- Internet Site Design and Development
- Internet Basics and Infrastructure
- Web Site Development
- Security and Business Concepts
- Facing the e-Business Challenge: Securing Your Business
- E-Commerce Designer
- JavaScript Fundamentals
- Perl Fundamentals
- Security Professional
- Site Designer
- Hyper Text Markup Language (HTML)

Sacramento Employment & Training Agency (SETA)
Menu Curriculum
(continued)

- X-Hyper Text Markup Language (XHTML)
- Active Server Pages

Web Design
- Professional Web Graphics
- Planning, Developing, and Managing a Successful Web Site
- Creating Web Pages with Flash
- Using FrontPage
- Dreamweaver
- Home Site
- Using Paint Shop Pro
- Flash
- JavaScript
- D-Hyper Text Markup Language (DHTML)

Windows
- Installing, Configuring & Administering Windows Professional
- Installing, Configuring & Administering Windows Server
- Designing a Directory Services Infrastructure (Active Directory)
- Implementing and Administering a Windows Network Infrastructure
- Analyzing Requirements and Defining Solutions Architectures
- Managing a Windows Network Environment
- Designing a Microsoft Windows Network Infrastructure
- Designing a Microsoft Windows Directory Services Infrastructure

Windows 98
- Installing and Configuring
- Configuring Hardware and Troubleshooting
- Networking
- Operating within a Network

Security
- Designing Security for Microsoft Windows Network
- Implementing and Supporting Microsoft Proxy

Database Development
- Designing & Implementing Databases with Microsoft Sequel Server Enterprise Edition
- Installing, Configuring & Administering Microsoft Sequel Server Enterprise Edition

Sacramento Employment & Training Agency (SETA)
Menu Curriculum
(continued)

Exchange Server
- Installing, Configuring & Administering Microsoft Exchange Server
- Designing & Deploying a Messaging Infrastructure with Microsoft Exchange Server
- Implementing and Supporting Microsoft Exchange Server 5.5

Cisco
- Cisco Certified Network Associate
- Designing Cisco Networks
- Building Scalable Cisco Networks
- Building Cisco Multi-Layer Switched Networks
- Building Cisco Remote Access Networks
- Cisco Internetwork Troubleshooting Support

Comment: The parties agree that the training identified in this Curriculum may be revised from time-to-time during the term of this Agreement at the request of Contractor and with the prior written approval of ETP. (See also Section 12 in this Agreement.)

Participating Employers in Retrainee
Multiple Employer Contracts

PRINT OR TYPE

Company: California Psychological Association

Address: 3835 North Freeway Blvd., Ste. 240

City, State, Zip: Sacramento, California 95834-1955

Contact Person/Title: Patricia VanWoerkem

Telephone No.: (916) 286-7979

Collective Bargaining Agreement(s): n/a

Estimated #of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 0

Total # of full-time company employees in California: 15

Company: Dorado Software, Inc.

Address: 110 Woodmore Drive, Suite 200

City, State, Zip: Folsom, CA 95630

Contact Person/Title: Leslie Tarnacki

Telephone No.: (916) 673-1125

Collective Bargaining Agreement(s): n/a

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 52

Total # of full-time company employees in California: 49

Company: Eclipse Solutions, Inc.

Address: 2151 River Plaza Drive, Suite 320

City, State, Zip: Sacramento, CA 95833

Contact Person/Title: Mike Watson

Telephone No.: (916) 565-8092

Collective Bargaining Agreement(s):   n/a

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 85

Total # of full-time company employees in California: 80

Participating Employers in Retrainee
Multiple Employer Contracts

PRINT OR TYPE

Company: Eskel Porter Consulting Inc.

Address: 723 S. Street

City, State, Zip: Sacramento, California 95814

Contact Person/Title: : Steven Galves

Telephone No.: (916) 492-1212

Collective Bargaining Agreement(s): n/a

Estimated #of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 0

Total # of full-time company employees in California: 51

Company: Fedex Freight System

Address: 6411 Guadalupe Mines Road

City, State, Zip: San Jose, CA 95120

Contact Person/Title: Steve DeWitt

Telephone No.: (408) 323-4248

Collective Bargaining Agreement(s): n/a

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 1063

Total # of full-time company employees in California: 131

Company: Follett Investment Properties, Inc.

Address: 11211 Gold Country Blvd., Suite 100

City, State, Zip: Gold River, CA 95670

Contact Person/Title: Casey Kelly

Telephone No.: (916) 852-0112

Collective Bargaining Agreement(s):   n/a

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 0

Total # of full-time company employees in California: 15

ETP 100B (06/06)

Participating Employers in Retrainee
Multiple Employer Contracts

PRINT OR TYPE

Company: HDR Insurance Services

Address: 455 University Avenue, Suite 100

City, State, Zip: Sacramento, California 95825

Contact Person/Title: Lisa Eckert

Telephone No.: (916) 566-1000 x7115

Collective Bargaining Agreement(s): n/a

Estimated #of employees to be retrained under this Agreement: 3

Total # of full-time company employees worldwide: 0

Total # of full-time company employees in California: 24

Company: InfoPros

Address: 111 Natomas Street

City, State, Zip: Folsom, CA 95630

Contact Person/Title: Michelle Gamble-Risley

Telephone No.: (916) 458-6777

Collective Bargaining Agreement(s): n/a

Estimated # of employees to be retrained under this Agreement: 21

Total # of full-time company employees worldwide: 27

Total # of full-time company employees in California: 27

Company: Inland Business Systems

Address: 1500 North Market Blvd.

City, State, Zip: Sacramento, CA 95834

Contact Person/Title: Christy Batchelder

Telephone No.: (916) 928-0770x8802

Collective Bargaining Agreement(s):   n/a

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 0

Total # of full-time company employees in California: 80

Participating Employers in Retrainee
Multiple Employer Contracts

PRINT OR TYPE

Company: Intel Corporation

Address: 1900 Prairie City Road

City, State, Zip: Folsom , CA 95630

Contact Person/Title: Shannon Morante

Telephone No.: (916) 356-1348

Collective Bargaining Agreement(s): n/a

Estimated #of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 96,000

Total # of full-time company employees in California: 14,000

Company: Interwest Insurance Services

Address: 3636 American River Drive

City, State, Zip: Sacramento, CA 95864

Contact Person/Title: Susan Vowell

Telephone No.: (916) 488-3100

Collective Bargaining Agreement(s): n/a

Estimated # of employees to be retrained under this Agreement: 3

Total # of full-time company employees worldwide: 0

Total # of full-time company employees in California: 300

Company: Purple Squirrel Services, Inc.

Address: 455 University Avenue, 330

City, State, Zip: Sacramento, CA 95825

Contact Person/Title: Julie Barchard

Telephone No.: (916) 201-2116

Collective Bargaining Agreement(s):   n/a

Estimated # of employees to be retrained under this Agreement: 3

Total # of full-time company employees worldwide: 7

Total # of full-time company employees in California: 4

ETP 100B (06/06)

Contractor's Name: Sacramento Employment and Training Agency   CCG No.: ET07-0155

Reference No: 06-0412   Page 5

PRINT OR TYPE

Company: Metrocall

Address: 4211 Coronado Avenue, Suite A

City, State, Zip: Stockton, CA 95204

Contact Person/Title: Niklaus Laeng

Telephone No.: (209) 483-6139

Collective Bargaining Agreement(s): n/a

Estimated #of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 3100

Total # of full-time company employees in California: 700

Company: Network Office Systems

Address: 11315 Sunrise Gold Circle #F

City, State, Zip: Rancho Cordova, CA 95742

Contact Person/Title: Ben Rey

Telephone No.: (916) 853-6919

Collective Bargaining Agreement(s): n/a

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 0

Total # of full-time company employees in California: 13

Company: Nexus Applied Research, Inc.

Address: 11850 Kemper Road, Suite A

City, State, Zip: Auburn, CA 95603

Contact Person/Title: Mark Rosen

Telephone No.: (530) 885-0262 x201

Collective Bargaining Agreement(s):   n/a

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 1

Total # of full-time company employees in California: 5

ETP 100B (06/06)

Participating Employers in Retrainee
Multiple Employer Contracts

PRINT OR TYPE

Company: The PMI Group, Inc.

Address: 3003 Oak Road

City, State, Zip: Walnut Creek

Contact Person/Title: Frank Velesquez

Telephone No.: (916) 851-7110

Collective Bargaining Agreement(s): n/a

Estimated #of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 1025

Total # of full-time company employees in California: 566

Company: Prelude to Independent Living Inc.

Address: 5800 Jameson Court, Suite 3

City, State, Zip: Carmichael, CA 95608

Contact Person/Title:

Telephone No.:

Collective Bargaining Agreement(s): n/a

Estimated # of employees to be retrained under this Agreement: 4

Total # of full-time company employees worldwide: 0

Total # of full-time company employees in California: 7

Company: ProLogic Communication Inc.

Address: 6133 Freeport Blvd.

City, State, Zip: Sacramento, CA 95822

Contact Person/Title: Jane Copeland

Telephone No.: (916) 394-6241

Collective Bargaining Agreement(s):   n/a

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 20

Total # of full-time company employees in California: 20

Participating Employers in Retrainee
Multiple Employer Contracts

PRINT OR TYPE

Company: RMS

Address: 648 Northfield Drive

City, State, Zip: Sacramento, CA 95833

Contact Person/Title:

Telephone No.: (916)

Collective Bargaining Agreement(s): n/a

Estimated #of employees to be retrained under this Agreement: 4

Total # of full-time company employees worldwide: 0

Total # of full-time company employees in California: 16

Company:

Address:

City, State, Zip:

Contact Person/Title:

Telephone No.:

Collective Bargaining Agreement(s): n/a

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

Company:

Address:

City, State, Zip:

Contact Person/Title:

Telephone No.:

Collective Bargaining Agreement(s):   n/a

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California: